

PROPERTY TAX APPEAL BOARD'S DECISION

APPELLANT: Gregory and Leslie Sgro
DOCKET NO.: 05-01604.001-C-1
PARCEL NO.: 14-34.0-307-031

The parties of record before the Property Tax Appeal Board are Gregory and Leslie Sgro, the appellants, by attorney Gregory P. Sgro of Sgro, Hanrahan & Durr, L.L.P., Springfield, Illinois; and the Sangamon County Board of Review.

The subject property consists of a 9,120 square foot vacant lot with a residential zoning classification. The subject matter of this appeal was set for a consolidated hearing based upon the merits along with Docket Numbers 05-01602.001-C-1 (Gregory and Leslie Sgro) and 05-01603.001-C-1 (Peter M. Sgro) on February 22, 2007, pursuant to a setting by the Property Tax Appeal Board.

The appellants, through counsel, appeared before the Property Tax Appeal Board claiming overvaluation as the basis of the appeal. In support of this claim, the appellants submitted an appraisal report estimating the subject's fair market value to be \$11,000 as of May 6, 2005. The appraiser was not present at the hearing to provide direct testimony or be cross-examined regarding the appraisal methodology and final value conclusion. Based on this evidence, the appellants requested a reduction in the subject's assessment.

The board of review submitted its "Board of Review Notes on Appeal" wherein the subject's assessment of \$14,230 was disclosed. The subject's assessment reflects an estimated market value of \$42,707 or \$4.68 per square foot of land area using Sangamon County's 2005 three-year median level of assessments of 33.32%.

In support of the subject's assessment, the board of review offered testimony from Capital Township Assessor John Venturini and eight vacant land sales considered similar to the subject. Comparable 3 sold twice. The suggested comparables are located

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Based on the facts and exhibits presented, the Property Tax Appeal Board hereby finds no change in the assessment of the property as established by the Sangamon County Board of Review is warranted. The correct assessed valuation of the property is:

LAND:	\$	14,230
IMPR.:	\$	0
TOTAL:	\$	14,230

Subject only to the State multiplier as applicable.

less than ½ mile from the subject and seven comparables have similar zoning as the subject. The comparables range in size from 2,750 to 36,616 square feet of land area and sold from July 1997 to April 2006 for prices ranging from \$16,000 to \$375,000 or from \$4.50 to \$10.91 per square foot of land area. Two sales included demolition costs of \$2,000 and \$4,500, respectively. The assessor noted comparable sale 3b was purchased by Sgro Development Corporation, who was assumed to be the appellant in this appeal. After reviewing its comparable land sales, the board of review was of the opinion the subject's land value is \$6.00 per square foot or an estimated fair market value of \$54,720, which would result in an increase in the subject's land assessment.

Under cross-examination, the assessor agreed land sales 4, 5, and 6, which range in size from 3,992 to 20,440 square feet of land area, are located adjacent to Springfield Clinic. They were purchased by Springfield Clinic from October 2005 to April 2006 for prices ranging from \$21,700 to \$155,000 or from \$5.44 to \$9.27 per square foot of land area. The assessor acknowledged Springfield Clinic is using these lots for expansion of its medical facility. The assessor further agreed Springfield Clinic has great influence regarding land values in the immediate area. He also agreed the nearest Springfield Clinic property is located approximately two blocks from the subject, but the assessor considered these properties to be in the same market area as the subject. The assessor did not know if comparable land sales 1 and 2 were purchased by adjacent property owners for \$4.50 and \$5.31 per square foot of land area, respectively. He agreed if a particular property owner purchased an adjacent or contiguous property, that factor should be a consideration in determining the value of the subject. He did not know if land sale 2 backed-up to an adjacent property, also owned by the purchaser of land comparable 2.

In their rebuttal submission, the appellants argued they have no interest in, nor any control over Sgro Development Corporation, who owns four nearby vacant lots that are contiguous to the subject as depicted on a street map. Furthermore, as a legal proposition, the appellants claimed it would be inappropriate to consider the value of the subject because of its adjacency to other properties, particularly those properties owned by other persons or entities. The appellants argued the subject property should be valued individually. The appellants also pointed out the parcels owned by Sgro Development Corporation make-up a corner lot. The appellants accepted the proposition that the entire property, were it marketed as a whole, may well be worth \$6.00 per square foot, but the corner parcels carry the vast majority of the value, and the "satellite" parcels, of which the subject is one, would carry a lesser value.

Under questioning from the hearing officer, Venturini agreed some of the comparable sales are dissimilar in size when compared to the subject. Counsel testified Sgro Development Corporation is owned by his father. His father has owned the property at the corner of 5th Street and Lawrence Avenue for at least 45 years. At the time of hearing (February 22, 2007), counsel testified "we have now, in the last six weeks, listed it (the subject) for sale". Sgro testified the listing price was approximately \$240,000 for "all of our property". He did not know the allocated listing value for the subject lot. For clarification, the Sgro Development Corporation properties (four parcels), in addition to subject parcel in this appeal, as well as two other parcels (under Property Tax Appeal Board Docket Numbers 05-01602.001-C-1 (owners Gregory and Leslie Sgro) and 05-01603.001-C-1 (owners Peter M. Sgro) were all included in the listing price of \$240,000. Thus, in total there were seven parcels offered for sale at approximately \$240,000 at the time of hearing, inclusive of the subject. Counsel argued the listing price does not reflect the per square foot value of the satellite parcels, again arguing the corner lots carry more value. No evidence to support this claim was submitted.

After hearing the testimony and considering the evidence, the Property Tax Appeal Board finds that it has jurisdiction over the parties and the subject matter of this appeal. The Property Tax Appeal Board further finds no reduction in the subject property's assessment is warranted.

The appellants argued the subject property's assessment was not reflective of its fair market value. When market value is the basis of the appeal, the value must be proved by a preponderance of the evidence. Winnebago County Board of Review v. Property Tax Appeal Board, 313 Ill.App.3d 179, 183, 728 N.E.2d 1256 (2nd Dist. 2000). The Board finds the evidence in this record does not overcome this burden.

First, the Board gave no weight to the appraisal submitted by the appellants. The appellants' appraiser was not present at the hearing to provide direct testimony or be cross-examined regarding the appraisal methodology and final value conclusion. The Property Tax Appeal Board finds the board of review submitted eight suggested land sales in support of the subject's assessed value. The Property Tax Appeal Board placed diminished weight on five of the suggested comparables. The Board finds comparable 3, which sold twice, is less indicative of the subject's fair market value. Notwithstanding its smaller size, these sales occurred in 1997 and 2002, far removed from the subject's January 1, 2005 assessment date at issue in this appeal. Comparables 4 and 8 are larger in size when compared to the subject. Finally, the Board finds the record and testimony is un-refuted that land sales 4, 5, and 6 were purchased by Springfield Clinic for expansion of

its medical facilities. In reviewing the market evidence, the Property Tax Appeal Board finds Springfield Clinic may have paid a premium price to acquire these three lots.

The Property Tax Appeal Board finds comparable land sales 1, 2, and 7 offered by the board of review to be most representative of the subject in size, location, and zoning. These properties range in size from 6,080 to 6,596 square feet of land area and sold from July 2003 to July 2005 for prices ranging from \$4.50 to \$5.31 per square foot of land area. The subject's land assessment of \$14,230 reflects an estimated market value of \$42,707 or \$4.68 per square foot of land area, which falls within the range established by the most similar comparable sales contained in this record. After considering adjustments to these most similar comparables for differences when compared to the subject, the Property Tax Appeal Board finds the subject's estimated market value as reflected by its assessment is supported. Therefore, the Property Tax Appeal Board finds no reduction in the subject's land assessment is warranted.

Finally, the Property Tax Appeal Board finds the appellants made various ancillary arguments regarding the subject's fair market value and evidence offered by the board review. These arguments include comparable land sales 1 and 2 were purchased by adjacent property owners affecting their final sale prices; corner lots carry or are more valuable than "satellite" or interior lots; and the subject lot should be valued individually with no regard to the parcels owned by Sgro Development Corporation, which is owned by the appellants' father, the parcel owner by Peter M. Sgro (brother), and Gregory Sgro (Counsel in this appeal), who is also a business partner with Peter M. Sgro. In rebuttal, the appellants argued they have no interest in, nor any control over Sgro Development Corporation. Furthermore as a legal proposition, the appellants claimed it would be inappropriate to consider the value of the subject because of its adjacency to other properties, particularly those properties owned by other persons or entities. The Board gave these arguments no merit.

The Board finds the appellants submitted no substantive evidence indicating land sales 1 or 2 were purchased by adjacent land or business owners, which may or may not have had an impact on their final sales prices. Furthermore, the Board further finds the appellants' submitted no substantive evidence indicating the recorded sale prices were inflated or were not arm's-length transactions. Within this context of adjacent property owners purchasing the comparables, which the appellants argued should be a factor to consider and disregarded for valuation purposes, the appellants argued the subject lot should be valued individually, with no regard to the parcels owned by Sgro Development Corporation or Peter M. Sgro. The Board finds the subject property in this appeal is contiguous to six other parcels, which

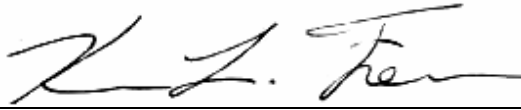
are owned by legal counsel, counsel's brother, and his father (Sgro Development Corporation). Counsel in this appeal is also Peter Sgro's business partner. The evidence in this record is clear that the subject parcel in this appeal is currently marketed for sale along with the other six aforementioned parcels as a package for \$240,000. This undisputed fact shows there is not only a family relationship in name, but also a business relationship between these parties and entities. Additionally, the Board finds the listing price for the package of seven parcels further supports the assessed value of the subject property by the board of review of \$14,230. Finally, the Board finds the appellants presented no evidence or independent expert witness showing corner lots carry higher market values than interior lots in the subject's neighborhood. Thus, these aspects of the appellants claim were given no weight.

In conclusion, the Board finds the evidence in this record demonstrates the subject property is not overvalued by a preponderance of the evidence. Therefore, the Board finds the subject property's assessment as established by the board of review is correct and no reduction is warranted.


This is a final administrative decision of the Property Tax Appeal Board are subject to review in the Circuit Court or Appellate Court under the provisions of the Administrative Review Law (735 ILCS 5/3-101 et seq.) and section 16-195 of the Property Tax Code.



Chairman



Member



Member



Member



Member

DISSENTING: _____

C E R T I F I C A T I O N

As Clerk of the Illinois Property Tax Appeal Board and the keeper of the Records thereof, I do hereby certify that the foregoing is a true, full and complete Final Administrative Decision of the Illinois Property Tax Appeal Board issued this date in the above entitled appeal, now of record in this said office.

Date: September 28, 2007



Clerk of the Property Tax Appeal Board

IMPORTANT NOTICE

Section 16-185 of the Property Tax Code provides in part:

"If the Property Tax Appeal Board renders a decision lowering the assessment of a particular parcel after the deadline for filing

complaints with the Board of Review or after adjournment of the session of the Board of Review at which assessments for the subsequent year are being considered, the taxpayer may, within 30 days after the date of written notice of the Property Tax Appeal Board's decision, appeal the assessment for the subsequent year directly to the Property Tax Appeal Board."

In order to comply with the above provision, YOU MUST FILE A PETITION AND EVIDENCE WITH THE PROPERTY TAX APPEAL BOARD WITHIN 30 DAYS OF THE DATE OF THE ENCLOSED DECISION IN ORDER TO APPEAL THE ASSESSMENT OF THE PROPERTY FOR THE SUBSEQUENT YEAR.

Based upon the issuance of a lowered assessment by the Property Tax Appeal Board, the refund of paid property taxes is the responsibility of your County Treasurer. Please contact that office with any questions you may have regarding the refund of paid property taxes.